



Insurance for UST Financial Responsibility

This document provides compliance tips for owners and operators of USTs regulated by the U.S. Environmental Protection Agency (i.e., USTs in Indian country). It does not replace the federal UST regulation. Additional information can be found at [epa.gov/ust](https://www.epa.gov/ust).

WHAT IS FINANCIAL RESPONSIBILITY? UST owners and operators are required to maintain financial responsibility. This means that you must ensure money is available to pay for cleanup costs, property damage, and bodily injury resulting from releases. There are several ways to meet this requirement. For a summary of financial responsibility under federal UST regulations, see EPA's Dollars and Sense: Financial Responsibility Requirements for Underground Storage Tanks at <https://www.epa.gov/sites/default/files/2014-03/documents/dolsens.pdf>. This fact sheet focuses on insurance. More information on insurance can be found online at [epa.gov/ust/insurance-usts](https://www.epa.gov/ust/insurance-usts).

THE BASICS OF AN INSURANCE POLICY

Declarations Page provides the coverage summary. The type, size, and location of the covered USTs are listed on the declarations page (or as an endorsement). Make sure that your UST information is correctly listed.

Insuring Agreement describes what is covered under the policy and includes:

- Definitions of the policy terms.
- Exclusions of what is not covered.
- Policy conditions to meet in the event of a claim or policy cancellation.

Endorsements or **Amendments** modify the conditions of the original insuring agreement. All policies must have an endorsement. The required wording is in EPA's *Dollars And Sense* (see page 09) available online at: www.epa.gov/sites/default/files/2014-03/documents/dolsens.pdf.

HOW CAN I GET INSURANCE FOR MY UST? Contact a licensed insurer or risk retention group about a pollution liability insurance policy. Insurance may be a separate policy or an endorsement to an existing policy. Differences in policy terms will affect the cost of the policy and what it covers.

The EPA keeps a list of insurance providers that may be able to help you obtain insurance. The list is found at: [epa.gov/ust/list-insurance-providers-ust-financial-responsibility-requirements#list](https://www.epa.gov/ust/list-insurance-providers-ust-financial-responsibility-requirements#list).



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HOW MUCH INSURANCE DO I NEED? The amount needed depends on the:

- Type of business you operate.
- Amount of tank throughput.
- Number of tanks you have.

Type Of UST Owner And Operator	Per Occurrence Coverage	Aggregate Coverage
Petroleum producers, refiners, or marketers	\$1 million	\$1 million for 100 or fewer tanks
Nonmarketers	\$500,000 – monthly throughput 10,000 gallons or less \$1 million - monthly throughput is more than 10,000 gallons	<u>or</u> \$2 million for more than 100 tanks

WHAT SHOULD I ASK WHEN PURCHASING INSURANCE?

- Is this a confirmed or suspected release policy?
- What is the company’s policy on excluding tanks over certain ages?
- Can a retroactive date be carried from a previous or existing policy (for claims-made policies)?
- What are reporting responsibilities if a release occurs?
- Do you (the agent or broker) have experience in issuing UST policies or know the federal UST regulations?
- Have you provided this type of policy before and can you provide names of clients?

WHAT DOES THE INSURANCE NEED TO COVER? The policy must promise payment for cleanup and third-party liability claims. Insurance policies must:

- Exclude legal defense costs from the required amount of coverage.
- Provide first dollar coverage.
- Provide a six-month extended reporting period for claims-made policies.
- Include an endorsement or certificate whose wording is exactly as specified in [40 CFR 280.97\(b\)](#).

WHAT RECORDS SHOULD I KEEP?

- Certification of insurance signed by you and a witness or notary.
- Any additional documentation that shows insurance coverage is valid and provides details.
- Keep these records on-site or readily available upon request until the site is permanently closed.